Termination of service of Chairman/M.D. of PSUs

2191. SHRI GHUFRAN AZAM: Will the Minister of INDUSTRY be pleased to state:

(a) whether Government have terminated the services of some of the Chairman/Managing Directors of the PSUs falling under the jurisdiction of his Ministry;

(b) if so, the names of the PSUs and also the details of executives whose services have been terminated by Government since the present Government has taken over at Centre;

(c) the reasons and justification for terminating the services of such executives;

(d) whether Government propose to review their decision; and

(e) if not, the reasons therefor?

THE MINISTER OF INDUSTRY (SHRI SIKANDER BAKHT): (a) to (c) The services of Gp. Capt. T. Rudra, Chairman-cum-Managing Director, Tannery & Footwear Corporation were discontinued w.e.f. 1.6.98. He was on ad-hoc extension after his regular tenture expired on 22.4.95.

(d) and (e) Since the officer has been relived on completion of his extended tenure, the question of review does not arise.

Revival of Jessop and Company Limited

2192. SHRI JOYANTA ROY: Will the Minister of INDUSTRY be pleased to state:

(a) whether there is a proposal pending before the Central Government to revive the sick engineering Industrial Company, Jessop;

(b) if so, the details thereof;

(c) whether the workers and employees of the company were taken into confidence before drawing up the plan;

(d) whether the view point of the Government of West Bengal was obtained on the revival package; and

(e) what would be date of implementation of the scheme?

THE MINISTER OF INDUSTRY (SHRI SIKANDER BAKHT): (a) Yes, Sir.

(b) BIFR has issued the sanctioned scheme of Jessop on 6.5.98. the cost of the scheme is Rs. 368.94 crore, Rs. 91.20 crore being fund based and the remaining Rs. 277.74 crore being non-fund based. Out of Rs. 91.20 crore fresh funds required, Government of India is to provide Rs. 54 crore while the balance Rs. 37.20 crore is expected out of sale of assests. The entire non-fund based reliefs are to be provided by Government of India by way of conversion of loans into equity/zero rate debenture and write off of interest. In addition Government of India is to provide Rs. 70.68 crore counter guarantee to banks. The scheme envisages sacrifices from banks, Government of West Bengal, employees etc.

(c) and (d) BIFR obtains the consent of all the concerned parties including State Government and workers' unions before issuing a revival scheme. This procedure was followed in the case of Jessop as well.

(e) BIFR's sanctioned scheme of 6.5.98 has not incorporated certain views/ comments of Government of India fully. BIFR has been requested to modify the scheme suitably.

Meeing with the Prime Minister

2193. SHRI JOYANTA ROY: Will the Minister of INDUSTRY be pleased to state:

(a) whether there was a meeting between the Prime Minister and the Chief Minister of West Bengal on May 19, 1998 at New Delhi;

(b) if so, the subjects discussed at the aforesaid meeting;

(c) whether any conclusions were arrived at on any of the matter discussed; and

(d) if so, whether follow up action has been initiated with regard thereto?

THE MINISTER OF INDUSTRY (SHRI SIKANDER BAKHT): (a) Yes Sir.

(b) to (d) Discussions pertained to a number of issues concerning the State. These, inter-alia, included State share from Central taxes, employment generation, public distribution system, speedy formulation of revival packages for Central PSUs, etc.

It was decided that the State Government may seek separate meetings with the Finance Minister and other concerned Ministers to discuss the relevant issues in detail.

Transfer of Hindustan Cables Limited

2194. SHRI DIPANKAR MUKHERJEE: Will the Minister of INDUSTRY be pleased to state:

(a) whether any representations have been received from the management/ associations/unions, etc. to transfer Hindustan Cables Limited under the control of Department of Tele-Communications;

(b) if so, the reasons therefor and the reactions of the Government thereto;

(c) the present revival status of HCL; and

(d) whether enough working capital is being made available to sustain production as to ensure payment of statutory dues including wages?

THE MINISTER OF INDUSTRY (SHRI SIKANDER BAKHT): (a) and (b) Yes, Sir. The Main reasons for the suggested transfer of HCL are that DoT is the main customer for the products of HCL and therefore, under DoT, HCL may get regular orders for its products alongwith advance and other concessions. Ministry of Communications has recently been requested to agree to the transfer of HCL from Industry Ministry.

(c) Pending a final decision on the question of transfer of HCL to DoT, Ministry of Communications have been requested to place some orders on HCL. The revival package for the company is also under formulation.

(d) No, Sir. Ministry of Communications has been requested place orders on HCL alongwith advance payments to improve the working capital position of the company.

Revival of Burn Standard Ltd. MAMC

2195. SHRI DIPANKAR MUKHERJEE: Will the Minister of INDUSTRY be pleased to state:

(a) the revival status of Burn Standard and Mining and Allied Machinery Corporation Ltd. (MAMC); and

(b) the number of employees on roll and their average age?

THE MINISTER OF INDUSTRY (SHRI SIKANDER BAKHT): (a) As per direction of BIFR, Operating Agency had prepared a Draft Rehabilitation Scheme (DRS) of Burn Standard Company Ltd. This was discussed in a joint meeting held on 18.5.98 and minutes have been circulated Draft scheme would be finalised by BIFR.

BIFR has issued a show cause notice for winding up of MAMC on 11.1.95. further hearing has been stayed by an order from Calcutta High Court. The matter is sub-judice.

(b) The number of employees of BSCL as on 31.5.98 was 9245 nos. and their average age is 42 years.

The number of employees of MAMC as on 30.6.98 was 4016 nos. and their average age is 51 years.